

# Fact Sheet

## CORPORATE GOVERNANCE

**California Public Employees' Retirement System • 400 Q Street • Sacramento, California 95814**

### **CalPERS 2006 Focus List Company At-A-Glance**

**Clear Channel Communications Inc. (CCU)** – San Antonio, Texas

**CalPERS' Holdings:** 3.04 million shares (0.56% of outstanding shares)

Total Return Performance for Selected Periods Ending 03/31/06

<b>Time Period Ended 3/31/2006</b>	<b>Clear Channel Communications (CCU)</b>	<b>S&amp;P 500 Index</b>	<b>Media S&amp;P Industry Peer Index*</b>
5 years	-41.86%	21.46%	-26.12%
3 years	-6.67%	61.05%	9.26%
1 year	-10.09%	11.72%	-8.44%

Source: FactSet

### **The Problems:**

- Clear Channel's stock has underperformed relative to the S&P 500 and its industry peer index over the 3 and 5 year time period ending March 31<sup>st</sup>.
- Concern over board culture – The Compensation Committee Chairman has served (as Chair) for over 22 years, and is responsible for approving excessive executive compensation/severance agreements. The Nominating/Governance Committee Chairman has also served (as Chair) for over 22 years.
- Concern over inadequate international business and technology related expertise on the board.
- No majority voting for directors.
- No "double triggers" on equity severance in the event of a change in control. A double trigger would provide that an executive must be terminated following a change in control before the vesting of equity will accelerate.